

**ASSEMBLY BILL**

**No. 462**

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**Introduced by Assembly Member Bonnie Lowenthal**

February 15, 2011

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An act to amend Section 44229 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 462, as introduced, Bonnie Lowenthal. Air pollution: vehicular pollution.

Existing law authorizes an air pollution control district or a regional air quality management district, until January 1, 2015, to establish a fee of up to \$6 on the registration of motor vehicles registered in the district. Existing law requires the revenues from the first \$4 of the fee be used for specified purposes. Existing law requires that the revenues from the last \$2 of the fee be used for specified programs that the district determines remediate air pollution harms created by motor vehicles.

This bill would additionally authorize a district based on that determination to use the last \$2 of the fee for programs to replace onboard natural gas tanks on schoolbuses owned by a school district that are 15 years or older and to enhance deteriorating natural gas fueling dispensers of fueling infrastructures operated by a school district.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 44229 of the Health and Safety Code, as amended by Section 4 of Chapter 707 of the Statutes of 2004, is amended to read:

44229. (a) After deducting all administrative costs it incurs through collection of fees pursuant to Section 44227, the Department of Motor Vehicles shall distribute the revenues to districts, which shall use the revenues resulting from the first four dollars (\$4) of each fee imposed to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies necessary for implementation of the California Clean Air Act of 1988. Fees collected by the Department of Motor Vehicles pursuant to this chapter shall be distributed to districts based upon the amount of fees collected from motor vehicles registered within each district.

(b) Notwithstanding the provisions of Section 44241 and Section 44243, a district shall use the revenues resulting from the next two dollars (\$2) of each fee imposed pursuant to Section 44227 to implement the following programs that the district determines remediate air pollution harms created by motor vehicles on which the surcharge is imposed:

(1) Projects eligible for grants under the Carl Moyer Memorial Air Quality Standards Attainment Program (Chapter 9 (commencing with Section 44275) of Part 5).

(2) The new purchase, retrofit, repower, or add-on equipment for previously unregulated agricultural sources of air pollution, as defined in Section 39011.5, for a minimum of three years from the date of adoption of an applicable rule or standard, or until the compliance date of that rule or standard, whichever is later, if the state board has determined that the rule or standard complies with Sections 40913, 40914, and 41503.1, after which period of time, a new purchase, retrofit, repower, or add-on of equipment shall not be funded pursuant to this chapter. The districts shall follow any guidelines developed under subdivision (a) of Section 44287 for awarding grants under this program.

(3) The new purchase of schoolbuses pursuant to the Lower-Emission School Bus Program adopted by the state board.

1 (4) An accelerated vehicle retirement or repair program that is  
2 adopted by the state board pursuant to authority granted hereafter  
3 by the Legislature by statute.

4 (5) *The replacement of onboard natural gas fuel tanks on*  
5 *schoolbuses owned by a school district that are 15 years or older,*  
6 *not to exceed twenty thousand dollars (\$20,000) per bus.*

7 (6) *The enhancement of deteriorating natural gas fueling*  
8 *dispensers of fueling infrastructures operated by a school district*  
9 *with a one-time funding amount of up to five hundred dollars*  
10 *(\$500) per dispenser.*

11 (c) The Department of Motor Vehicles may annually expend  
12 not more than the following percentages of the fees collected  
13 pursuant to Section 44227 on administrative costs:

14 (1) During the first year after the operative date of this chapter,  
15 not more than 5 percent of the fees collected may be used for  
16 administrative costs.

17 (2) During the second year after the operative date of this  
18 chapter, not more than 3 percent of the fees collected may be used  
19 for administrative costs.

20 (3) During any year subsequent to the second year after the  
21 operative date of this chapter, not more than 1 percent of the fees  
22 collected may be used for administrative costs.

23 (d) ~~No~~A project funded by the program shall *not* be used for  
24 credit under any state or federal emissions averaging, banking, or  
25 trading program. ~~No-emission~~ *Emission* reduction generated by  
26 the program shall *not* be used as marketable emission reduction  
27 credits or to offset any emission reduction obligation of any person  
28 or entity. Projects involving new engines that would otherwise  
29 generate marketable credits under state or federal averaging,  
30 banking, and trading programs shall include transfer of credits to  
31 the engine end user and retirement of those credits toward reducing  
32 air emissions in order to qualify for funding under the program. A  
33 purchase of a ~~low-emission~~ *low-emission* vehicle or of equipment  
34 pursuant to a corporate or a controlling board's policy, but not  
35 otherwise required by law, shall generate surplus emissions  
36 reductions and may be funded by the program.

- 1 (e) This section shall remain in effect only until January 1, 2015,
- 2 and as of that date is repealed, unless a later enacted statute, that
- 3 is enacted before January 1, 2015, deletes or extends that date.

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